New drug policy

684. SHRIMATI SATYA BAHIN:

SHRI DHULESHWAR MEENA:

Will the PRIME MINISTER be pleased to state:

(a) whether Government's attention has been drawn to the news item captioned "New Drug Policy gives freedom on price fixation" appeared in Hindustan Times on 26th October, 1991;

(b) if so, what are the names of drugs for which shortages have been reported to Government;

(c) what is the stage from which each drug is produced and what is the percentage of import content in each case to ex-factory value;

(d) whether it is a fact that country is losing foreign exchange and consumer is paying high prices of these drugs;

(e) what steps have been taken to import these drugs;

(f) what are the names of drug companies who have over-charged the prices and have marketed without price approval along with the names of products; and

(g) names of the companies against whom prosecution has been launched and names of the courts where cases are pending?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI CHINTA MOHAN): (a) Yes, Sir.

(b) Whenever any shortage of medicines was reported, it was of a temporary and localised nature for which therapeutic equivalents were generally available. There were however, apprehensions that shortages of medicines may occur if timely corrective action in pricing was not taken, in the face of change in exchange rate of rupee against foreign currencies.

(c) to (e) It is not clear from the question for which drug, information is required.

(f) To the extent available, details of overcharging of prices of drug companies were given in Rajya Sabha Unstarred Question No. 1664 answered on 1.8.1991

(g) No prosecution has been launched against any company as yet This would arise only when any company does not abide by the instructions of hte Government.

Manufacturing Ampicillin Sodium Sterile

685. SHRI R. S. NAIK: Will the PRIME MINISTER be pleased to state:

(a) whether it is a fact that Ampicillin Sodium Sterile is manufactured in the country;

(b) if so, names of the units and production of each during the last three years, yearwise;

(c) what is the price notified by Government per Kg. and when the notification was issued;

(d) whether Government have increased the price;

(e) if so, when and what is the present price;

(f) whether it is a fact that the producers of this drug are overcharging the price;

(g) if so, the details thereof;

(h) what is the price of drug taken by BICP in working the prices of finished medicines; and

(i) when the last price of finished medicines was revised and what are the revised prices, earlier prices and percentage of increase in a each case?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI CHINTA MOHAN): (a) Yes, Sir.

(b) Production of Ampicillin Sodium Sterile is not monitored. The names of companies given industrial approvals alongwith capacities are given in statement I (*See* below)

(c) The price of Ampicillin Sodium Sterile was fixed at Rs. 29.41/kg. on 13.9.1990.

(d) No, Sir.

(e) Does not arise.

(f) and (g) No instance of overcharging of the bulk drug has come to the notice of the Government.

(h) and (i) The prices of finished products is given in statement II (*See* below).

Statement

Name of Company	Capacity (MT)
1. Ranbaxy Labs.	12
2. Nirup Synchrame	20
3. Rajasthan Antibiotics	15
4. Cadila Labs.	75
5. Lyka Labs.	13
6. Armour Chemicals	30
7. IPICOL	24
8. Standared Organics	25
9. Cepham Organics	50

Statement II

Sl.No	Name of formulation	Pack Size	Earlier price without Excise Duty (Rs.)	Parcentage price without Excise Duty (Rs.)1	Parcentage increase
1	Ampicillin Sodium Injection 250mg	1 Vial	4.18*	4.80**	14.83%
2	Ampicillin Sodium Injection-500mg	1 Vial	6.50*	6.90**	6.15%

*Bulk drug price Rs. 3537/Kg.
**Ampicillin Sodium Rs. 2941/Kg.

Over invoicing of drugs

686. SHRI R. S. NAIK: Will the PRIME MINISTER be pleased to state :

(a) whether Government's attention has been drawn to the News item which appeared in Indian Express of 25th October, 1991 under the heading "Government's Laxity benefits drugs companies.";

(b) whether Government have examined the instances quoted in the news item regarding over-invoicing;

(c) if so, what is the reaction of Government and what steps have been taken to check the antinational activities;

(d) whether it is a fact that the number of such instances have come to the notice of Government;

(e) if so, the names of companies, names of drugs involved and when each instance was noticed;

(f) whether Government have initiated any investigation;

(g) if so, the details thereof and if not, the reason for delay;

(h) whether it is a fact that imports of certain multinational drug companies have gone up and consumption of indigenous material have come down; and